



FY 2015 BUDGET AND CORE SERVICES

EDUCATE. CONNECT. GROW.

Presented to City Council
June 3, 2014

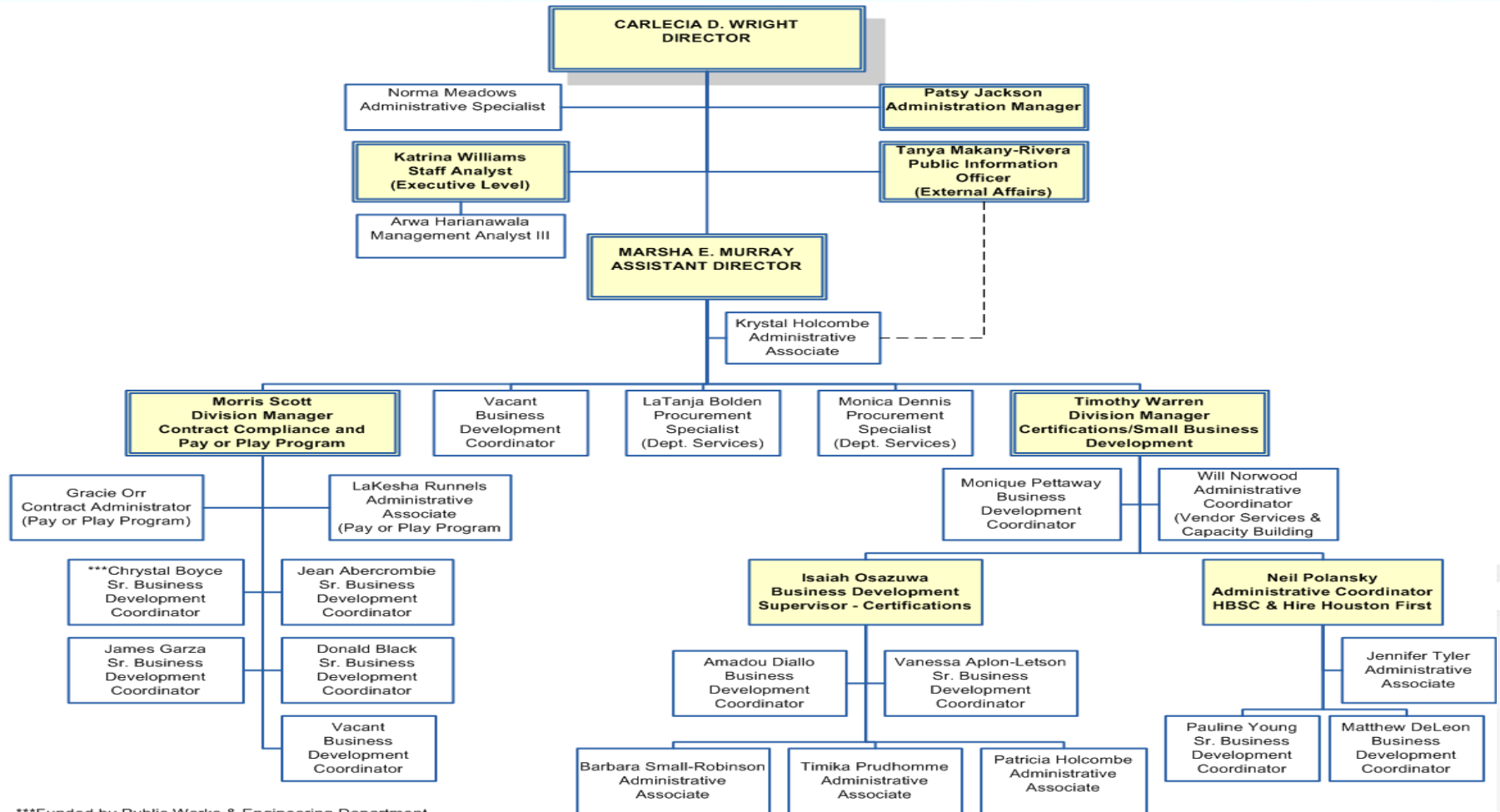
Annise D. Parker
Mayor

Carlecia D. Wright
Director

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OBO Organizational Chart



***Funded by Public Works & Engineering Department



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OBO FY 2014 Accomplishments

Minority, Women, Small, and Disadvantaged Business Enterprise Certifications

- So far in FY 2014, we've certified 257 companies; bringing the total number of companies certified to 2,323.

Hire Houston First Designations

- So far in FY 2014, we've designated 450 companies; bringing the total number of companies designated as Local or City Businesses to 1,351.

Outreach to Promote City Services

- Attended more than 300 events in the Houston-Metro area to promote certification and other OBO services.

OBO FY 2014 Accomplishments

Department Services

- Facilitated nine (9) trainings for City Departments.
- Reviewed 215 requests for waivers from City Departments.
- Assisted departments with setting 28 contract-specific goals.
- Evaluated a total of 48 Good Faith Efforts and Participation Plans.
- Conducted one Procurement Training Institute for 53 attendees.

Contract Compliance

- Monitored 348 Construction contracts and 854 Professional Services and Purchasing contracts.
- Conducted 878 site visits to Construction projects.
- Performed 92 Commercially Useful Function Audits.
- Reviewed 22,792 Certified Payrolls on Construction contracts.

OBO FY 2014 Accomplishments

Capacity Building Initiatives

- Meet the Buyer Purchasing Forum
- I'm Certified, What's Next?
- Interagency Mentor Protégé Program
- Turner School of Construction Management
- Goldman Sachs 10K Small Businesses
- Construction Contractors' College
- Capital One Getting Down to Business
- Government Procurement Connections
- Interise Capacity Building Program

OBO FY 2014 Accomplishments

Business Development Initiatives

- TweetMyJobs Houston!
- Liftoff Houston Business Plan Competition

Budget Summary – All Funds

(In Millions and Thousands)

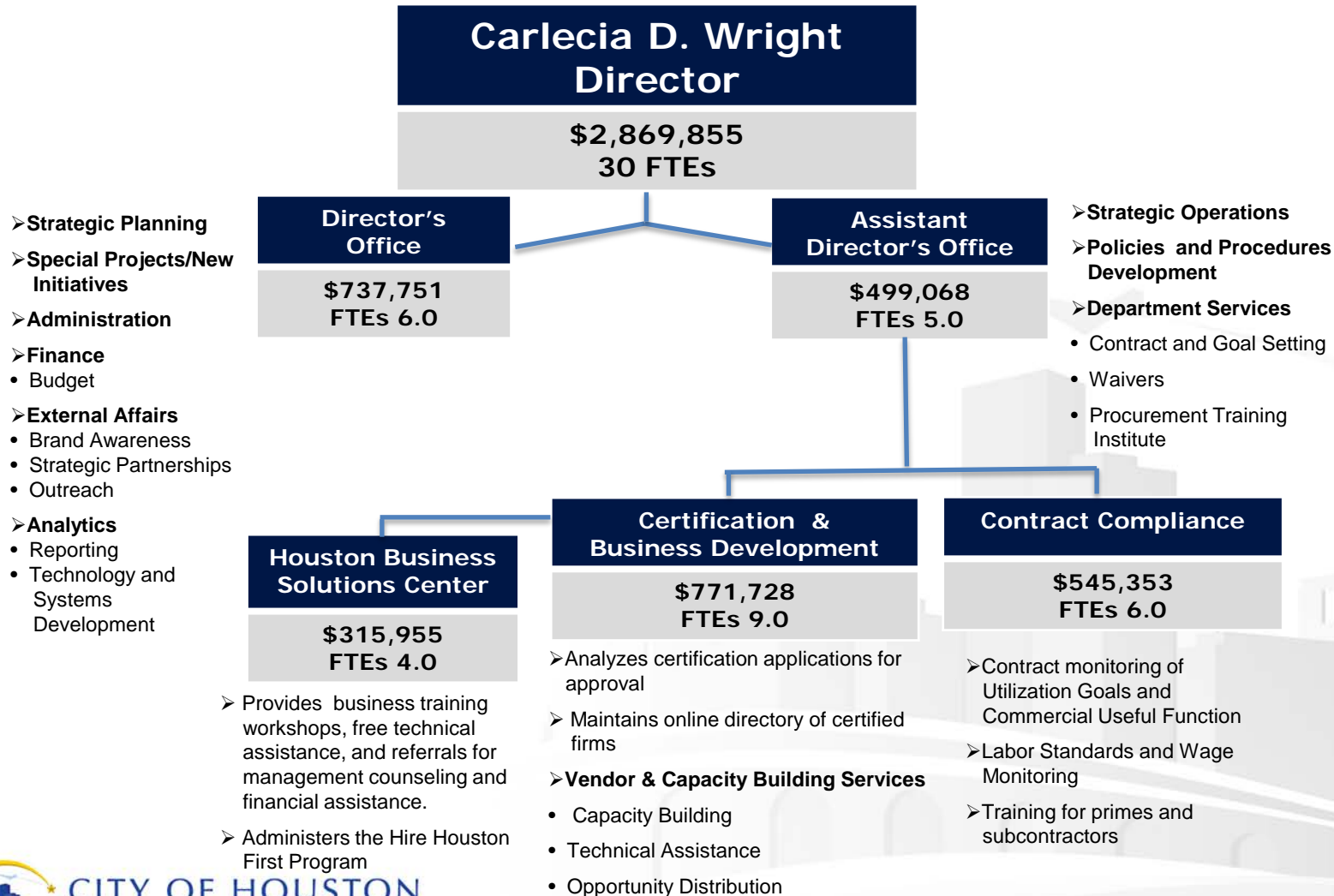


Fund	Revenue FY 14 Budget	Revenue FY 15 Proposed	+/- \$/%	Expenditures FY 14 Budget	Expenditures FY 15 Proposed	+/- \$/%	Fund Balance FY 14 Budget ¹	Fund Balance FY 15 Prop. ¹
General Fund 1000	\$167T	\$109T	-\$58T (35%)	\$2.6M	\$2.9M	+\$232T (9%)	\$2.5M	\$2.8M
Special Fund 2424	\$472T	\$422T	-\$50T (11%)	\$1.5M	\$1.3M	-\$200T (15.31%)	\$1M	\$890T
Total	\$639T	\$531T	-\$108T	\$4.1M	\$4.2M	\$32T	\$3.5M	\$3.6M



OBO Functions

Fund 1000



OBO Pay or Play Functions

Fund 2424



Carlecia D. Wright
Director

\$1.3M
2 FTEs

Pay or Play
Program

\$1.3M
FTEs 2.0

- Administration of
Citywide Pay or Play
Program



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OBO FY 2015 Initiatives



Service Impact - The budget allocated for FY 2015 allows for implementation of the following initiatives which align with the Mayor's Citywide Priorities of ***Jobs and Sustainability*** and ***Fiscal Responsibility***.

- Implement capacity building program targeting construction companies.
- Pursue grant to launch a curriculum based initiative targeting start-up businesses.
- Complete OBO's Chapter 15 internal policies and procedures to include current and best practices.

Total Revenues By Fund

(In Millions and Thousands)



Fund Name/ Number	FY 13 Actual	FY 14 Budget	FY 14 Estimate	FY 15 Budget	+/- \$/% FY15 Bud./FY14 Est.
General Fund 1000	\$102T	\$167T	\$121T	\$109T	\$-12T (10%)
Special Fund 2424	\$738T	\$472T	\$472T	\$422T	\$-50T (11%)
Total	\$838T	\$639T	\$593T	\$531T	-\$62T



FY 2015 Revenue Highlights

General Fund Budget

Revenue Description	FY 2014 Current Projection	FY 2015 Budget	Variance	Remarks
PWE FTE	\$81,400	\$83,842	\$2,442	The FTE funding increased slightly due to personnel cost & 3% HOPE increase.
Prevailing Wages	\$40,000	\$25,000	(\$15,000)	Decrease due to efficiencies created by contractors using LCP Tracker.
Total	\$121,400	\$108,842	(\$12,558)	

Pay or Play Fund Budget

Revenue Description	FY 2014 Current Projection	FY 2015 Budget	Variance	Remarks
Interest - Pooled Investments	\$20,000	\$21,876	\$1,876	Decrease in revenue collected o May be explained by the impact the Affordable Care Act has had. o More employees are providing insurance (Play)—in anticipation of the looming ACA employer mandate o Employees are taking advantage of the ACA marketplace to procure their own insurance.
Pay or Play Revenue (POP)	\$451,614	\$400,000	(\$51,614)	
Total	\$471,614	\$421,876	(\$49,738)	

Total Expenditures by Fund



Fund	Expenditures FY 13 Actual	Expenditures FY 14 Budget	Expenditures FY 14 Estimate	Expenditures FY 15 Proposed	+/- \$/% FY 14 vs FY 15 ²	FTEs FY 14 Budget	FTEs FY 15 Prop.
General Fund 1000	\$2,253,950	\$2,637,852	\$2,637,852	\$2,869,855	+\$232,003 (9%)	28	30
Special Fund 2424	\$ 498,190	\$1,511,259	\$1,511,259	\$1,310,577	-\$200,682 (15.31%)	2	2
Total	\$2,752,140	\$4,149,111	\$4,149,084	\$4,180,432	+\$31,321	30	32

2. FY14 Budget vs. FY15 Proposed Budget Expenditures

FY 2015 Expenditure Highlights

General Fund Budget

Expenditure Description	FY 2014 Current Estimate	FY 2015 Budget	Variance	Remarks
Personnel	\$2,258,034	\$2,499,215	\$241,181	Increase in 3% HOPE, pension, health care & restricted accounts.
Supplies	\$33,922	\$22,180	(\$11,742)	Slight decrease due to less supplies needed in FY2015.
Services	\$345,896	\$348,460	\$2,564	Increase in restricted accounts, advertising & marketing efforts.
Non-Capital Equipment		\$0	\$0	
Total	\$2,637,852	\$2,869,855	\$232,003	

Pay or Play Fund Budget

Expenditure Description	FY 2014 Current Estimate	FY 2015 Budget	Variance	Remarks
Personnel Expenses	\$117,645	\$122,508	\$4,863	Increase due to 3% HOPE, pension, health care costs, and restricted accounts.
Services	\$4,102	\$4,852	\$750	Increase due to the restricted accounts.
Care Houston	\$800,000	\$400,000	(\$400,000)	Decrease - Allocation made in FY14 for both FY13 and FY14 (totaling \$800K)
Harris County 3 Share	\$341,369	\$209,942	(\$131,427)	Decrease in anticipation of effects of Affordable Care Act.
Alternative Transportation Program	\$248,143	\$573,275	\$325,132	Increase due to planned increase in services, adding technologically based services.
Total	\$1,511,259	\$1,310,577	(\$200,682)	



Thank You.

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Appendix



Core Services Matrix – General Fund

	Annual Projected Personnel Cost	Annual Projected Supplies and Services Cost	Total Annual Cost	FTE	Mandated	Direct Service	Administrative	
GENERAL FUND (1000)								
Directors Office								
Administration	\$374,745	\$39,966	\$414,711	3.0			x	Directs all operations and ensuring compliance of all areas within the department.
External Affairs	\$98,985	\$13,321	\$112,306	1.0	CO	x		Develops events, newsletters and other marketing and outreach efforts to raise awareness of MWSDBE and HHF programs and maintains relationships with community partners and stakeholders.
Analytics	\$184,092	\$26,642	\$210,734	2.0	CO.F	x		Produces HHF, SMWDBE and other Ad-hoc reports, and assists with improving technology and systems development.
Subtotal (Directors Office)	\$657,822	\$79,929	\$737,751	6.0				
Assistant Directors Office								
Administration	\$276,659	\$39,966	\$316,625	3.0			x	Assists with all operations and managing multiple divisions within the department.
Procurement	\$155,801	\$26,642	\$182,443	2.0	CO	x		Issues waivers, conducts procurement training institute, and investigates contracts and goal setting.
Total (Assistant Directors Office)	\$432,460	\$66,608	\$499,068	5.0				
Contract Compliance								
Contract Compliance	\$465,424	\$79,929	\$545,353	6.0	CO, F	x		Monitors and enforce equal opportunity employment, prevailing wages, and audit contractors to ensure compliance.
Subtotal (Contract Compliance)	\$465,424	\$79,929	\$545,353	6.0				
Certification								
SMWDBE Certification	\$564,214	\$106,576	\$670,790	8.0	CO, F	x		Certifies companies and investigates S/MWDBEs.
Vendor Services	\$87,617	\$13,321	\$100,938	1.0	CO, F	x		Develops capacity building, provides technical assistance and consultation to stakeholders and businesses interested in the OBO programs.
HHF & Houston Business Solutions	\$281,654	\$34,301	\$315,955	4.0	CO, F	x		Provides free technical assistance, management consulting, financial advise, and business training workshops and designates HHF firms.
Subtotal (Certification)	\$933,485	\$154,198	\$1,087,683	13.0				
GENERAL FUND GRAND TOTAL	\$2,489,191	\$380,664	\$2,869,855	30.0				

Core Services Matrix – Fund 2424

	Annual Projected Personnel Cost	Annual Projected Supplies and Services Cost	Total Annual Cost	FTE	Mandated	Direct Service	Administrative	
SPECIAL FUND (2424)								
Pay or Play Program	\$122,508	\$1,188,069	\$1,310,577	2.0	CO		x	Administers the Citywide Pay or Play Program
Subtotal	\$122,508	\$1,188,069	\$1,310,577	2.0				
SPECIAL FUND GRAND TOTAL								
	\$122,508	\$1,188,069	\$1,310,577	2.0				

OBO Staff Demographic Breakdown

